

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN
(Called by Mayor Guinta)**

April 16, 2007

4:00 PM

Mayor Guinta called the meeting to order.

Mayor Guinta called for the Pledge of Allegiance, this function being led by Alderman O'Neil.

Mayor Guinta stated if you could all remain standing and as many of you are probably aware keep in your thoughts and prayers the victims of the shooting down in Virginia at Virginia Tech today.

The Clerk called the roll. There were thirteen Aldermen present.

Present: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, O'Neil,
Lopez, Shea, Garrity (arrived late), Smith, Thibault, Forest (arrived late)

Absent: Alderman DeVries

Mayor Guinta advised that the purposes of the meeting is to review and meet with Parks again as well as an update from the Parking enterprise...we'll start with Parks.

Alderman Lopez stated before we get started I want to inform the Board that we spent two hours on one day and three hours on another day for a total of five hours sitting around in a professional manner with the Mayor, Finance Officer, Deputy Finance Officer and four members of Parks and Recreation...give and take...to make sure we had the right numbers and Parks went back over the weekend with some additional information and at the same time they came up with tonight they presented a document to the Board and with that I think I'll let them speak for themselves...they have two documents and the general fund will explain that and then what happens if the enterprise fund is no made whole and with that, your Honor.

Parks & Recreation (2nd discussion)

Mr. Chuck DePrima, Deputy Parks Director, stated good evening everybody and again I want to thank the Mayor and his staff for working with us as they have on this to try to come to a consensus on how to handle this budget which has been difficult. Basically tonight I just want to bring to everybody's attention just the impact that the proposed budget would have for us. Again, we're in charge of approximately 55 park facilities in the City totaling almost a thousand acres and 19 schools with athletic fields and playgrounds totaling close to 600 acres. We do that with a staff right now not including administration of people that actually

go out there and take care of these facilities...37 laborers...and so going forward we sort of down 7 positions of those people already so we do struggle on a daily basis to maintain the parks and the school facilities. So the reduction first the positions that we currently have vacant are not funded...we have a carpenter position who is normally someone who goes out and takes care of...if we get a call that a playground is broken or something like that this is a person that goes out and fixes that in a timely manner, knows the system and can get it fixed quickly...they do a lot of other things related to that type of work and we're down also 6 maintenance workers. Again, these are people that they operate the mowers, they go out and line baseball fields, they work in a variety of different ways in order to take care of the parks and so in the budget the reduction in overtime salaries sort of weigh against \$35,000 down of what we had requested...would allow Gill Stadium staff to work weekend games, weekend pool maintenance, tree calls...all the events that we normally use overtime staff for...most of that is for plowing of the schools in the winter. Again, if we have a winter like we did this year we should be okay if the winter's bad we'll be back before the Board and ask for money to continue to fund overtime should we need it. The Mayor in our discussions had considered replacing one of our recreational maintenance workers and that's a person that just retired recently who would be out there mowing, operating one of our gang mowers, sort of a specialized job...it's a heavy piece of equipment, it's not your average mowing machine so that would allow us to at least keep up better than we would be normally coming up into an active athletic season with the requests that we have from the leagues to keep the fields and active recreational facilities maintained adequately. Just the reductions in the maintenance line items as you can see...collectively these items would be the ability to perform some of our facilities that we would normally have to such as vehicle repairs, elimination of equipment...we do have a gang mower right now that is sort of on its last leg and we haven't made a full determination yet whether that can last another season...I'm pretty confident...we do have good mechanics, we can possibly get through one more season with that piece of equipment...reduction in gas, oil, and diesel and then a reduction in tires and batteries these are just line items for our maintenance division, contract maintenance (\$23,300) we use that a lot for the spraying contracts that we have to take care of poison ivy in the baseball fields and the school yards...some of the right of way spraying that we do that takes care of the herbicide treatments that we do, contracted manpower (\$31,000) would eliminate the police details that we desperately need at Hunt Pool and Crystal Lake because those are definitely problem areas for us and then the elimination of special projects (\$45,000)...that's money that allows us to repair our irrigation systems, turf repairs, emergency repairs to ballfields and things like that...replacement of backstops, any other miscellaneous repairs that may come up as a result of sort of an urgent type of situation. So, that's where we stand on the general fund.

Alderman Pinard one quick question...you said you're down 7...are these part-time people or full-time people you didn't elaborate on that one?

Mr. DePrima replied they're full-time.

Alderman Pinard asked how many part-time do you have or will you eliminate the part-time if we adopt this plan?

Mr. Rick Riddle, Business Service Officer, replied right now we still would keep the part-time people that we have. This budget would eliminate what we call three seasonal people...we have three people that work at the Cemetery, they're full-time but nine months out of the year they're not funded at all.

Alderman O'Neil in reference to the 7 vacant positions asked do you happen to know how many of those became vacant in this fiscal year...I think the carpenter is...

Mr. DePrima stated that is a fairly recent one.

Alderman O'Neil asked about the six recreation maintenance workers...were there any carryovers vacant into this fiscal year, Rick?

Mr. Riddle replied we had three recreation maintenance workers retire this year or left this left...we had one retire on December 1st and we had two that left on I believe it was March 31st.

Alderman O'Neil asked is it safe to say then that three of those were vacant coming into this fiscal year?

Mr. Riddle replied right.

Alderman O'Neil in reference to the maintenance line items stated I'm guessing some of those with an adequate budget you could manage those line items to handle with the exception of the contract manpower I would think there's a reason we have to have police officers at Hunt Pool and Crystal Lake because there's been problems. Am I correct with that?

Mr. DePrima replied yes, Alderman, you are correct.

Alderman Lopez stated just to clarify something Rick do you want to explain the red one and two so that everybody follows along with you.

Mr. Riddle stated we did put in some footnotes on there that go with some of the different associated line items...footnote #1 goes with the carpenter position. The carpenter position basically needing that position reduces the department's ability to repair broken playground equipment in a timely manner which also would increase the City's liability exposure. Footnote #2 goes with our recreation maintenance worker positions...collectively the

reduction of those and many of the lines items would impede the ability to perform the recreational facilities maintenance in a timely and efficient manner downtime resulting from mechanical failures will increase the magnitude of this and then footnote #3 goes with contract manpower at the Police Department...extra details at Hunt and Crystal...the impact of this reduction could be abated if the Mayor would be able to assign some police coverage there for the additional police officers.

Mr. DePrima interjected on straight time I guess.

Alderman Gatsas asked can you tell me Doug Glance who used to take care of Livingston...is his position still here or has it been eliminated?

Mr. DePrima replied it's still here but he's only there part-time now.

Alderman Gatsas stated when you say part-time.

Mr. DePrima stated he was there for 40 hours a week now he's there probably 20 because we have him assigned to other areas...he works on our tree crew sometimes and then he's also out in the springtime once the weather breaks he'll be on a crew that helps line ballfields and prep those for the upcoming season.

Alderman Gatsas asked when did that start?

Mr. DePrima replied it started about mid-winter when we had him on our plowing crews.

Alderman Gatsas stated so during the summer he'll only be there 20 hours a week.

Mr. DePrima stated or more if time allows.

Alderman Gatsas stated he used to be there during the summer 40 hours a week.

Mr. DePrima stated that's correct.

Alderman Osborne asked if you lose three employees over at Cemetery are you able to maintain the Cemetery without those three employees?

Mr. Riddle replied there will certainly be delays, it will be difficult for us to get the cemeteries ready for Memorial Day as we would like them to be.

Alderman Osborne asked outside of that how many does that leave, how many employees does it leave over at the Cemetery Department?

Mr. DePrima replied approximately 10.

Alderman Osborne stated you have 10 total.

Mr. DePrima stated we have approximately 10 employees now...one of them is a mechanic so he's not actually out there maintaining the cemeteries, he's maintaining the equipment.

Alderman Osborne asked all of these 10 are full-time, they work every day?

Mr. DePrima replied yes.

Alderman Osborne asked how many does it leave with Parks and Recreation all together...how many employees do you have at Parks and Recreation total?

Mr. DePrima replied 37 labor positions and 12 administrative positions...27 positions at Parks and 9 at Cemetery.

Alderman Osborne asked again how would this affect the summer help?

Mr. Riddle replied right now we don't really expect any reductions in the part-time summer help...we get a lot of value for the dollar we pay them.

Mayor Guinta stated I thought you had 54 positions...the two numbers you're giving don't equate to 54.

Mr. DePrima stated it's 37 labor positions, 12 administrative positions and 3 mechanics...that was approximately the 52 or 53 we had discussed in our meetings.

Mayor Guinta stated okay.

Mr. DePrima stated I had just never broken it out until now.

Mayor Guinta stated the total current complement is 52...it was 54 but it is now 52 because of two retirements that occurred in the last six weeks.

Mr. DePrima stated correct.

Alderman Lopez stated if it's 53, 52 if the department head is not replaced.

Mayor Guinta stated the current complement including the department head is 53...is that accurate...we were going back to different numbers last week.

Alderman Lopez stated I must point out with these particular items they have just stated they do have enough money for 53.

Alderman Shea stated when you discussed the cemeteries there are several cemeteries in the City...about 9, right because I know they have to be shifted. We had a problem at Prouts Park last year...already I've gotten a call from the gentleman in question as we both know he's experiencing problems. Last year you were able to help out as best you could...there would be no money available to help out in the event that there were additional kinds of expenditures.

Mr. DePrima stated that is correct, Alderman....that money was paid out of our special projects account.

Alderman Shea stated and that doesn't exist this year...or does it.

Mr. DePrima stated it's been eliminated.

Alderman Shea stated so if anyone has a problem with any residents who live near a park for whatever reason there probably isn't any money available...maybe we could tap into contingency...I don't know but we did have problems there...personal property was damaged, etc.

Alderman Thibault stated I'm a little concerned, worried about the fact that and especially at the Gatsas Park...I'm glad he just brought that up...how much money was spent on that park over there and by us cutting constantly the maintenance at these parks...not just the money that Gatsas and the family spent on that park but how much the City has spent in these parks and not just that one...what are we doing to ourselves and I have to applaud you for looking to cut the budget, I really do, I mean it...you are looking at everything but I just don't want us to get to the point that we are going back 30 years in this City as to how we had some of our parks in the City. We have taken 30 years to accumulate the parks that we have and the way that they take care of these parks and to do this day, your Honor, when I call Parks and Recreation there's always a problem that they can't get the job done on time or for whatever reason...we all have a problem about them getting the ballparks opened up on time and I'm sure it's because of the help they have in those parks. I would just want you, Mayor, to look at this very carefully and I know that you were probably not here 30 years ago, I was and to see where we have taken these parks 30 years ago, 25 years ago and where they are today and the amount of respect that people have for these parks today as compared to where they were 30 years ago I think it is something that you and we have to look at very carefully. I certainly don't want to put a damper on what you're trying to do but I believe that probably we're going a little overboard in some areas and I would certainly like you to look at that very carefully because I will be looking at it very carefully and looking at some of these

numbers over the next few days to make sure that we are not affecting some of these departments to the point that they cannot operate properly.

Alderman Smith stated let's go back to the current department staff I'm getting all mixed up with my figures. I have the sheet that you gave us today dated the 16th...I've got 59 positions right now on this list that you gave me on the 19th...on April 1st Human Resources has 62 positions authorized with 7 vacant and not only do the figures not match but one figure I'd like to point out is the people that do the work...you have an authorized total of 21...you have a total of 5 that were vacant...probably now it's 6. Could you explain the discrepancies between the staff that you gave today and the staff from Human Resources and so forth because it doesn't jive...one has 59...I just heard a figure of 57...this one has 62 on my sheet dated April 1st.

Mr. Riddle stated I guess some of what becomes confusing is originally we had a staff of 61.5 positions. The half time was a part-time position, a person who worked 25 hours at the cemetery...that person left and was not filled...we had that horticulturalist assistant that left several years ago and we have not had the money to fill that and the second person at the cemetery...those positions became eliminated from our complement...that basically brought us down to 59 positions. We have, I believe, 5 that are still authorized that are unfilled which would bring us down to the 54 positions. Along with that it becomes a little confusing is we have 3 season positions that work the cemetery...they work 9 months out of the year...one of those people is working right now...the other two are vacant.

Alderman Smith stated I agree with you now. Now I can understand it but on the recreational maintenance workers you've got a total complement of 21 and you're going to have 6 people vacant...who's going to do the work, who's going to go out there? These are the lowest paid fellows in your department...these are the fellows that go out and dig line fields, cut the grass and so forth and that's the most vital thing to me...maintaining the parks we have...we put a lot of money into Gill Stadium, we put a lot of money into Riverfront...I understand now it's under water again...we have to maintain these parks and I have to agree with Alderman Gatsas I was up at Gatsas Park yesterday and it's a beautiful park and we have to maintain these things, we don't want them to go like the JFK deteriorated because we didn't fund it and Gill Stadium...you don't want to occur again. So, I can't understand how we can't get people to work at these low rates and I'm looking at it at very low rates and they're the bulk of the department, they do the work.

Mr. DePrima interjected something that I forgot to mention earlier is that we're bringing on three new facilities this summer...one on Garfield Street, a park that did not exist previously...two more miles of recreational trail on the west side from Main Street to Electric Street and a new multi-purpose athletic field at the end of Douglas Street. So, we're bringing on three new facilities.

Alderman Smith stated I'm well aware of one of them. Thank you.

Alderman Osborne asked how many employees would you say you had 5 or 10 years ago?
If Ron was here he would probably know that off the top of his head.

Mr. DePrima replied probably 65 or 67 employees...somewhere in that neighborhood.

Alderman Osborne stated and you had less to do then than you do now...you probably even had more 20 years ago...who knows...cuts, cuts, cuts. Can you elaborate a little on the franchising of McIntyre...can we take that up later or you'd rather not?

Mr. DePrima stated right now...it's my understanding we're still talking about the general fund...we can get into it later with the enterprise.

Alderman Lopez asked do you want to wait till the enterprise?

Mayor Guinta stated we'll finish up on general fund and then go to enterprise.

Alderman Roy stated than you gentlemen for being here and thank you for putting in the work you did and Alderman Lopez and the Mayor's office...questions regarding parks...my ward...a lot of my constituents have taken a great effort to revitalize Stark Park in an effort to curb crime which I personally goes hand-in-hand with the maintenance of our parks. Shortly what will happen to that effort on the City side with these cuts, what can people expect and then I have a follow up question regarding Livingston Park also in my ward.

Mr. DePrima stated again with these cuts we would have a very difficult time...those are the parks oftentimes and we usually focus on the larger complex, the athletic fields because those are the priority because the teams want to play on them then we prioritize the downtown parks because those are the most highly visible, the higher profile parks and then when we have the opportunity we get to the outlying places like Stark Park and places like that. This would hinder our ability to assist the volunteers who I think have done an amazing job up there to get that park to where it is right now.

Alderman Roy stated so basically it becomes a low priority, low maintenance issue...feel free to say yes if you're nodding.

Mr. DePrima stated yes.

Alderman Roy stated going to Livingston Park and again Ron's been a friend to all of us and I'm glad that the three of you are here to represent Parks but some the institutional knowledge will get lost. The contract with I believe the main sponsor of Livingston Park...the Gatsas Family...how familiar are you with that contract?

Mr. DePrima replied I'm not entirely familiar with that contract. I know the general idea that if that was going to be...if the debt service I believe on the building and the complex was going to be paid that we would have a full-time staff up there to take care of it because that's one of the City's main efficiencies is that we build things and don't take care of them and Alderman Gatsas made it clear to us that that was not going to happen at that facility.

Alderman Roy stated I'm am lucky to have Alderman Gatsas and Senator Gatsas sitting next to me for reference but that is something that that family came out as a family and sponsored and that's something that needs to be maintained. It is in there for a full-time employee and I would like to see that happen...can that be done with the current budget restraints or are we going to work against people that have worked for the City for many, many years?

Mr. DePrima replied again it's going to be we could do it but it would be very difficult to have a full-time person that currently is the only park we have a full-time staff member at and it's solely based on that agreement.

Alderman Roy stated I think I made my points, Chuck. Thank you, Mayor.

Alderman Pinard stated I'm looking on here at the maintenance line item and I notice that the carpet replacement...how many places do you replace carpet in recreation inside the office building?

Mr. Riddle replied I believe that would be in the mausoleum at the cemetery.

Alderman Pinard asked how often do you replace the carpet? We're looking to cut expenses this is why I'm asking that.

Mr. Riddle stated I believe that's there since the mausoleum was built back in 1987.

Alderman Pinard stated it doesn't matter when it was built...how often do you replace carpet in that particular building or is this the first in many years?

Mr. DePrima stated that's the original carpet that was installed when the building was constructed in 1987, I believe.

Alderman O'Neil stated Chuck in the bullet in the overtime salaries...plowing of schools...you were reimbursed for that or should be reimbursed dollar for dollar correct.

Mr. DePrima stated that's correct.

Alderman O'Neil stated so in a bullet point I know was in the second handout tonight I think we saw part of that if not the same handout the other night you talk about reduction in school plowing...how can that happen when you have a revenue source to pay for the plowing?

Mr. Riddle replied the revenue is budgeted separately, a separate line item and then of course the expense.

Alderman O'Neil stated if somebody's paying you for a service you need to provide that correct. So, are we saying that they'll have to be other things that are normally done under overtime that won't get done if school plowing does?

Mr. Riddle replied some of that plowing could possibly have to be curtailed into regular business hours.

Alderman O'Neil stated I guess I'm not understanding it, Rick. If there is a funding source for that how can you eliminate that service?

Mr. Riddle stated the school pays us for plowing whether it be done on regular business hours on in overtime hours.

Alderman O'Neil asked so how can you eliminate the plowing if there's somebody paying for it?

Mr. Riddle replied when we did the revenue budget we assumed that we would be fully funded for the overtime.

Mr. DePrima stated I think what Rick's trying to say is that we get funded for it and then are reimbursed by the school. So based on the recommended budget or allowance for that we won't be able to provide that service.

Alderman O'Neil stated because you're overall overtime budget is short...realistically won't there have to be other cuts about school plowing?

Mr. DePrima stated correct.

Alderman O'Neil asked am I missing a point on this...if you get a \$100,000 budget for overtime and \$50,000 of that is for school plowing and schools pays that \$50,000 shouldn't you still have to provide \$50,000 worth of service to them.

Mr. Riddle stated we only bill them for what we actually do though...if we only provide them with \$20,000 worth of overtime plowing they'll only get billed for \$20,000...we'll only get \$20,000 worth of revenue.

Alderman O'Neil stated I guess my point is there should be other things identified for cuts other than school plowing, other overtime should be.

Mr. DePrima stated we are...that reduction would also affect our ability to staff weekend games at Gill Stadium, pool maintenance on weekends, tree calls on weekends and during storm events things like that that also...bandstand requests.

Alderman O'Neil stated those are items that you're not typically reimbursed for anyway so I guess I would understand those reductions. I guess I'm having as hard time with the school plowing issue.

Alderman Lopez stated maybe I could help, your Honor. As we moved through the discussion right now the original budget there's \$107,000 in the original budget they submitted to the Mayor. The Mayor's budget in the general fund only gave them \$51,000...the last two years when they went over on the overtime was approximately \$85,000 for two years so they cut them some thirty something dollars in order to make up the \$85,000 and the Mayor only gave them \$51,000 but it will cost them at a mild winter and that last couple of year's it's been mild would you agree with that...so, the \$85,000 is the number that the Mayor's using. We went through our discussion and he just knocked him down to \$51,000. Next year they'll probably do \$85,000...they'll probably do more than that but this is why you come back and you look at that bullet point...reduction in overtime...is that he would have to come to the Mayor for \$35,000 in order to reach that \$85,000 period that he did the last couple of years.

Alderman O'Neil stated I understand that. I guess what I'm having a hard time following is there should be other cuts made not the school plowing.

Mr. Ed Wojnilowicz, Recreation Enterprise Manager, stated this is weighted against the calendar. The idea is after July 1st the first thing that will come up for overtime demands will be bandstand related, will be Gill Stadium related. As the season progress you'll see Gill Stadium still generates certain football game overtime requirements, the bandstand will still go out, our weekend pool maintenance but as the calendar progresses into the winter time the balance of our overtime budget will diminish to the point where what's really going to be impacted will be school plowing...it's right about that time of the calendar that we will run out of money. If we have a mild winter plowing may not be affected and then you'll see it in the opening of Gill Stadium when we run out of overtime or the opening of pools if we manage to last that long. It's all really related against what the weather will allow us.

Alderman O'Neil stated I guess I am completely lost on how this affects the school...they're being paid...whatever the number is...do you know what your number for school plowing was this current year of the \$85,000 that you spent?

Mr. Riddle replied they reimbursed us for the overtime, they reimbursed us for the materials as well...we charged them for some administrative staff, we also charged them for vehicle costs...it probably comes to about \$80,000 a year for plowing.

Alderman O'Neil stated your request was \$105,000 or something like that.

Mr. Riddle stated for revenue, overall revenue...they also reimbursed us for field work at Bakersville School.

Mayor Guinta stated so I guess the question is if I'm appropriating \$51,000 in overtime why is that reduction in that appropriation impact this contract.

Alderman O'Neil stated I could see that there may be less overtime for Gill, for the pools, for any other service.

Mayor Guinta stated this is a straight contract correct with the schools. They're contracting you as if your ABC Plowing Company...is that correct? So that contract is between you and them and I think the Aldermen are saying whether it's straight time or overtime that should be addressed because the funding source comes from them not from that amount...am I following you Alderman?

Alderman O'Neil stated all I'm saying is the real impact...whatever the number is for schools they have an obligation and have to provide that service whether it costs them \$40,000 or \$80,000 in overtime they are reimbursed for those funds. The impact and a reduced overtime budget will be on other services whether it be Gill Stadium, whether it be providing the bandstand for parades, whether it be weekend pooling. My point I am trying to make is they'll be bigger hits on those items than there is the school plowing because it really should be separate. Thank you.

Alderman Thibault stated he we are again. How much money whether it's school related or not, how much money did the City of Manchester spend at West High School park?

Mr. DePrima stated to construct it.

Alderman Thibault asked who built it and who is to take care of it?

Mr. DePrima replied that was an approximate \$5 million project.

Alderman Thibault stated that we were told at the time that this was built that there would be at least a two-thirds man over there constantly spending one-third of his time with the other

parks in the area...when was the last time you had a man at West High School park for two-thirds of his time?

Mr. DePrima replied I believe that the School Department now has a full-time maintenance employee at both West High School and Memorial High School but they're employed by the schools.

Alderman Thibault stated between the two of them.

Mr. DePrima stated one each and they're employed by the School District not our department.

Alderman Thibault stated let's let that go for a second but I'll get back to that shortly. How about the other parks in the area like Gossler Park, for instance? To me one of the most deplorable parks we have in the City...nothing ever gets done out there. I don't know why, it's a park and it's a part of the west side and it certainly should get as much review as all of the other parks but nobody every gets down there...maybe it's too far, was gas a problem or what? What's the problem with the park at Gossler Park? We never get any services out there. The park is so deplorable I wouldn't bring my dog there but it's a park and we're proud to say that this is Gossler Park...well, I'm not proud to say that. I just wonder if there's an answer to that one?

Mr. DePrima replied what I can tell you right now is that we are under contract right now with a consultant who is master planning two construction drawings...that whole entire facility...both Gossler and Parkside. From that point it's up to the School District and the Board of Mayor and Aldermen to fund the actual construction of that but I can't answer why is hasn't been.

Alderman Thibault stated I have to say one more thing okay. I know that the City dump is on the Goffstown Back Road but if you went through Gossler Park and you went through the Goffstown Back Road you'd be hard put to say which one was the landfill or not...Gossler Park is an atrocious area...the garbage that gets accumulated on that hill in front of the Alpine Club and all of that section...all the way to Saindon's Market...what used to be Saindon's Market. It is unbelievable and I know that Ron and I had many arguments on this and Ron used to try every year to get the school kids in August or July to clean this area up.

Mr. DePrima stated the Workreation crew.

Alderman Thibault stated please some day if you have a chance and I don't care if it's not in your budget take a ride out there...if your house was across the street from that you wouldn't want to live there. Thank you.

Alderman Smith stated getting back to where Alderman O'Neil was coming from I have to agree with him in his concept but I'd just like to ask you I noticed your overtime salary funded at \$51,000...you needed \$147,000 at least your presentation to us on operating line item impact....what I'm getting at is the school parking lots okay...what about the playgrounds do you give them a chargeback on that like say if it was down at Beech Street School and you do Sheridan Emmett do you have a chargeback on that...how often, I know that I'm on Accounts and it seems like I have a problem with school chargebacks it seems like it's over 90 days for some reason or it's always questioning a department of why the overtime is in there...I think that's what you're getting at. I know I've been on Accounts and it seems like the School Department questions everything that you people do. What about the JFK parking lot near Beech Street School where all these employees park. I know you couldn't plow that parking lot in the daytime at all you'd have to do it in overtime because the teachers are in there...there must be 100 cars. So, what would be your answer to where Alderman O'Neil was going and then are you under the assumption that the Mayor wouldn't allow it even though you have a contract because he says no overtime will be funded over \$51,000 or what the situation is.

Mr. DePrima stated actually the JFK gets charged to the enterprise not Beech Street School even though they do use that parking lot.

Alderman Smith stated it's charged to your department in other words.

Mr. DePrima reiterated to the enterprise.

Alderman Smith stated you can't remove those cars because I go by there every day...I call it "Jumbo" Reilly Way and there must be 100 cars there...you couldn't plow anything and you come back at night and everything's frozen and you've got a hockey game at night and you can't park there.

Mr. DePrima stated yes it's a challenge for us.

Alderman Shea stated we've been discussing this why are we discussing it I'm not sure...in other words we've kicked around different things but what is the purpose of our meeting right now? What are we supposed to do or what did you agree to do or not agree to do with these people, why are we here?

Mayor Guinta replied as we talked about on Tuesday evening of last week we wanted to have an opportunity to sit down with Parks to talk a little bit about their budget...given some of the administrative changes over there and then have the Board of Aldermen an opportunity to speak with them again about their budget and what they feel are their constraints. So, we're providing another opportunity for us to have a dialogue with the Parks administration.

Alderman Shea stated when we finish the dialogue what is the purpose then to just listen...are you going to do anything or do you expect the Aldermen to do anything?

Mayor Guinta replied Alderman Lopez and I have met with them a couple of times last week as he indicated to try and go over some of these issues. There are some things potentially on the enterprise side that we could try to do for them and that's something that we had conversations about Thursday, Friday...I've thought about it over the weekend...the deficit is something that I am very concerned about that feel that maybe there's some flexibility we have on that side and I'm certainly committing myself to Parks to work with some of the issues that they feel may impede their ability to perform service on the general fund side but all in all again I wasn't to just reminder people I looked at the budget process with an additional \$4.8 million in new spending and I'm trying to do the best I can to divvy up that money while not going over that ceiling because I do think tax increases really should be the last absolute last possibility for this Board. Again, if the Board feels that the appropriations should be amended to better reflect what you feel are some of the needs within the City there is an opportunity through this budget process to do it. I'm certainly committed to working with Parks in dealing with scheduling issues in the overall overtime issues that we're having in the entire City. As you know we're spending \$2.7 million a year in overtime. I think that that's an area that we need to improve. I'm willing to work with them to try to enhance and modify the business model to see if we can better serve the needs of people who utilize parks and we talked in the meeting about not trying to curtail the opportunity for people to use parks in our City but we did talk about trying to apply different business models to the challenges that Parks is going through to try to more appropriately spend the dollars that are appropriated. So again this is a dialogue allowing all Aldermen to participate in it and see if we can come up with some solutions. There's no doubt that they have identified some concerns they have but again the concern that I have is what can we do to try and work with them and look at all of their different line items and see what we can do to try to better schedule, just maintain the service that we're talking about but looking at a different method in which to provide that service.

Alderman Shea stated so after this meeting will you or Alderman Lopez and you or someone else come out with a recommended type of situation for the Aldermen to consider or not?

Alderman Lopez stated I think half of the picture was the general fund and what's complicated is the enterprise system. As most everybody here is well aware of in the other position what the Mayor is speaking of because we have a debt service of over \$5 million in the enterprise system through no fault of Parks...it's the fault of our predecessors, the present Board of Mayor and Aldermen and putting Parks into debt okay and the auditor that came through said we're going to have to address that and I guess in the conversations at the meetings we talked about what is the mission of Parks and that's what we as policy makers have to decide as to what Parks means to the City of Manchester number one. Secondly,

knowing that the debt has got to be paid it's been funded for the last 12 years by the Finance Department and previous people so I guess the question becomes how are we going to pay the debt in the future. If as you noticed the note that Parks people had put down there. If the enterprise system is not fully funded then I'll let them speak to the second paper when we get to the enterprise what transpires...then we as the policy makers have got to make that decision. If the Mayor in his wisdom doesn't decide to fully fund it and come up with some other ideas which I read in the paper, for example, to find out whether or not we can lease out McIntyre what's the minuses and pluses that we talked about in the meeting...we don't know those things and there's no harm in going out and finding out whether or not somebody would lease McIntyre under what conditions...do we take all the debt and put it in general fund...they take care of all of the maintenance...we don't know those things. But there's no harm in doing an RFP and I've talked to Ed about it at the meeting as well as the others to go out and find out the information but you can't find out that information just overnight. So the dilemma that the Board is in as to the direction they want Parks to go. I've had the Solicitor at the meeting...I called him up because we had a debate in reference to whether or not Finance was right or wrong and I don't think there was a right or wrong it was a question that I asked the City Solicitor and correct me if I'm wrong, Tom, is that we appropriate money, we don't appropriate revenue and that's what we've done for 12 years. Now the other things that comes into play is when Finance goes up to give all our numbers up there and Randy can explain that somehow they manage to balance it for 12 years whatever the case may be and how they did it. So that's where we're at at this stage of the game. So the question becomes (a) if the Mayor's willing to increase and fund the enterprise system or the Board is going to fund the enterprise and appropriate the money for the enterprise...has no bearing on the tax dollars...none. It becomes a debt just like aggregation was for a number of years and finally they shifted it off to other enterprises and they paid for it. In this particular situation we don't have anybody to shift it to. It would be nice if we could give half to the Airport and everything else and get rid of it but we can't do that. So, I want to say that at no fault to Parks and Recreation...all the years that we've had them in the enterprise system because I was there when Mayor Wieczorek brought the enterprise system in and they've been able to do a lot of things with the enterprise system that they would not be able to do if it was all general fund. But, the enterprise system was never intended, never intended to put them in debt. The enterprise system was established to get the revenue from the Derryfield Country Club and balance off those recreational facilities that we do not charge a lot such as Gill Stadium, such as the West Side Arena and JFK and McIntyre. But, as I said our predecessors and this Board of Mayor and Aldermen elected to put more debt onto them so now we have a policy decision to make and it could be easily resolved if the Mayor did it or if he doesn't want to do it then there's still a process of the Aldermen making a policy or at this time I'd let them explain if they do not get the money what's going to happen and I think that's the second piece of paper that we talked about.

Mayor Guinta stated I think we have two questions...I know Alderman Thibault had his hand up and then Alderman O'Neil.

Alderman Thibault stated just one little thing and I agree with the concept, your Honor, almost 100% however I want to make darn sure that every park in the City is included in that review...that we don't leave the west side park or the east side park or any other park out of this equation. In other words get all of the parks together and come up with a system...I have no problem with what Alderman Lopez is saying other than I want every park involved because I feel that too many times certain parks and I'm not going to use west side parks but certain parks do get folded back and I don't want that to happen this time. Thank you.

Alderman O'Neil stated I just want to be clear on this. The 7 vacancies listed on this sheet are clearly general fund vacancies...the carpenter position and 6 recreational maintenance workers.

Mr. DePrima stated correct.

Alderman O'Neil stated there is an additional vacancy and I don't know how you charge it off whether it's...does the director get part of his salary out of the enterprise or is that solely a general fund?

Mr. DePrima stated part of his salary came from enterprise. Sixty percent of his salary came from the enterprise.

Alderman O'Neil stated 60% of the director's salary came from the enterprise. Does that mean you also charge off enterprise Rick....Ed is 100% enterprise.

Mr. Riddle stated Ed is actually 80% enterprise because he does pools so he's charged 20% to the general fund.

Alderman O'Neil asked what about Tom is Tom in the enterprise at all?

Mr. Riddle replied Tom is 100% general fund.

Alderman O'Neil stated regarding the general fund side of the budget if the Mayor's budget is approved will there have to be any additional staff reductions on the general fund side?

Mr. DePrima replied not on the general fund side. But, that's assuming they fund the enterprise.

Mayor Guinta stated here's the issue. We have a Parks and Recreation Department in the general fund that also is responsible for in part the management of the enterprise. If you bring in the balance the enterprise fund it does impact the general fund side. What I'm asking this Board to do as I did last year to try to address from a policy perspective what we

do with the deficit that we essentially have appropriated and continue to appropriate as a Board. When I met with the rating agencies within the last year this was an item for them...all three that said this needs to be fixed and my response essentially was it's an enterprise and they said yes, however, your deficit spending out of the general fund. So, essentially the enterprises...the City somewhere between \$5 and \$6 million...that's a pretty significant dollar amount so this is something that we obviously can't change it in one calendar year but by the time the City goes to issue debt in 2, 3, 4 years from now whenever it's going to be this has to be resolved otherwise it could have and very likely would have a negative impact on our bond rating. Now, if that happened today it wouldn't be an issue because rates are low but if rates go up it's a problem for the City.

Alderman O'Neil asked can I get Mr. Riddle to just review the breakdown...you said Director Ludwig was 60% enterprise, Mr. DePrima is the same.

Mr. Riddle stated yes.

Alderman O'Neil asked how about yourself, Rick?

Mr. Riddle replied I'm 60% enterprise.

Alderman O'Neil stated Ed is 80% enterprise yes.

Mr. Riddle stated yes Ed is 80% enterprise.

Alderman O'Neil stated and Tom is 100% general fund.

Mr. Riddle stated right.

Mayor Guinta stated I believe I handed out in the budget address the varying enterprises and the different debts...this was with the budget address information. If you don't have that I can provide that but it does have a column where it shows the administrative deficit as well so if the Board does not have that I can distribute that in the next day or so.

Alderman O'Neil stated I don't recall seeing that, your Honor.

Mayor Guinta stated I'll distribute that. Other questions or comments on the general fund? Enterprise...okay do you want to talk a little bit about the enterprise, okay.

Alderman Smith stated going back to the enterprise I have figures from last year and the director was 60/40 if I'm correct, the deputy director 60/40, enterprise manager 80/20, business service officer 60/40 here...administrative services management 60/40, administrative assistant 60/40, customer service 60/40, maintenance supervisor (JFK and

West Side Arena) 100 and it says McIntyre 50/50 and then it says recreational facilities maintenance workers it says 8...4 for the coliseum and 4 for the West Side Arena...all charged to the enterprise not the general fund and then you have Derryfield which is 100% enterprise...are these figures correct...this is from last year?

Mr. Riddle replied actually the recreational maintenance supervisor that you were speaking of if you remember Gill Stadium last year we moved Gill Stadium from the enterprise to the general fund so that supervisor went from being 100% enterprise to 75% enterprise, 25% general fund. The recreation facilities maintenance workers which are a grade 15 position they work primarily at the two ice arena but they charge part of their time, it varies depending on the guys...some of them are 20%, 30% charged to the general fund because of the time they actually spend at Gill Stadium.

Alderman Smith stated recreation especially in your department it's very seasonal and it relies on the weather...God knows what's happening to us right now. We just improved the new park for West Side High and it's under water today. You can't base revenue on a seasonal operation...that's my opinion and now somebody says lease McIntyre...boy, if we ever leased Derryfield you know where we'd be tomorrow...I'll tell you you'd have about 300 people in here tomorrow hollering. We're there to provide leisure time at affordable costs and I think this is what the department does and I just can't see...they lost 7 people, your Honor, and 3 this year...it's actually 10 in the last year...you might argue but you lost 10 bodies.

Mayor Guinta stated but that's under last year though I don't think that's what you're saying.

Alderman Smith stated no but 7 vacancies are not going to be...

Mayor Guinta stated but they're counting vacancies from several years ago that were eliminated, there's a couple of different numbers that are included in the presentation...three of them I think are vacancies from years ago that have been eliminated so that is being counted in the Parks presentation.

Alderman Smith stated might be, your Honor, but I beg to differ because I have last year's report and they were counted in there and now because they weren't funded they've been eliminated and that's my point.

Mayor Guinta stated I think they were eliminated several years ago isn't that correct.

Mr. Riddle stated we've had at least a couple of them that were eliminated before last year.

Alderman Lopez stated I'd like you to explain a little bit about the enterprise if you don't get the decisions that will have to be made by Parks and Recreation...if you don't get...I think

we came up with \$1,048,854 that you're short in the enterprise and as you noted on your notes to us that it had to be fully funded in order to make this work. So, what happens if the Board of Mayor and Aldermen or the Mayor doesn't concede to appropriate the money, what decisions will you have to make on personnel?

Mr. Wojnilowicz replied I'll answer that for the Deputy Director...the enterprise division and the general fund division are interlocked in a number of ways. When it comes to using specific equipment say a front end loader, a dump truck...things that we need for specific tasks we borrow from the Parks general fund but we charge it off to enterprise so you'll see a lot of our snow plowing, snow removal say droppings from the Zamboni, etc. On the converse side we give heavily as far as staff is concerned in our administrative staff specifically in our office. For example, the same person that would say write a permit for a baseball or a softball field would be the same person that rents out block ice time at one of our arenas. McIntyre is to a great degree stand alone but we also merge payroll functions, accounts receivable, accounts payable and a number of other administrative tasks that maybe as a small stand alone department would be impractical but having the two together at least justifies the system. Basically the 30-33% cut we would have received in this recommended budget would have disabled that mechanism...how we would retract and respond to that I guess is very difficult because it's beyond my level of comprehension. On the same note the same would apply to the staff. Just an overview and I realize I said this a few days ago with Alderman Lopez and the Mayor...I have 8 core people that more or less staff the arenas...you can look at it as 4 people assigned to each arena but these people also are the core staff for the golf course and Gill Stadium respectively...September/October to November are very busy times because I have four areas running, I do incorporate some part-time help to keep things flowing but these 8 core people are I guess you could say cross-trained. They can mow a green on a golf course, they can run the Zamboni and that's probably their highest profile job, they can take care of the inserts at Gill Stadium as far as raking out striping, etc. They don't mow there anymore at least not to a great degree except for the ancillary areas abutting it but he long and short of it these core people are the ones that I shuffle between four facilities and I've spent a lot of time cross-training them. Anything that I use to supplement them be it part-time, be it volunteer, whatever are usually assigned to one of these people to perform the task otherwise it's chaotic and I know we went through a very large turnover in the last four or five years within our core office staff and that's when I feel directly because I don't get out into the field as much as I'd look to anymore as I did when I was at McIntyre but to look for a simple weight scale, to look for a simple statement as far as expenditures, as far as what I have left in the budget I do often go to Rick but many of the times I go to some of the folks in the office that give this to me and I know Rick went through an excruciating process as far as training the new people and then familiarizing them with their tasks but that was the impact statement that I was trying to convey is that in eviscerating our department by one-third on the budget would in fact have many, many impacts that would I guess you could say that perpetuate themselves. In other words if I can't provide a certain service be it opening up an ice arena the guys in the week

will edge the ice something you would probably never see unless you're a skater and you notice the build up. As these things start to diminish our rentals will start to diminish, I wouldn't be able to run shifts, weekend overtime which I'm sure wasn't the intention when the budget was contrived as least I certain believe that, your Honor, but at that point that diminishes my capacity to general revenues for my bottom line drops even further which means I either cut deeper or provide less service which again would give me less opportunity to generate revenue. I see it going into a lot than less positive directions and that's what brought my concern in and led me to generate this report.

Alderman Lopez stated the only comment that I can make again is for 12 years our Finance people have funded this, appropriated along with the Board of Mayor and Aldermen and understanding again that there's a debt out there but it think if we have a plan and we move forward and present it which is down the road...remember on this Board you've got to realize and the public that these people or two people sitting there are not going to be around for very long and there will be nobody supervising, making decisions in Parks and Recreation and we'll just have to suffer or whatever the case may be and go back to Alderman Thibault's statement...we're going backwards. So, I would hope that the Mayor understands completely the problem that we're going to have in Parks and Recreation.

Mayor Guinta stated what I understand is that for whatever reason this Board of Mayor and Aldermen and previous Board's of Mayor and Aldermen have allowed deficit spending and essentially we know what the request is for this year. Parks has requested to spend \$1.2 million more than what they're appropriated...that's a deficit...it's very, very simple and what I'm saying is that practice should not and cannot continue and we have an obligation as elected officials to ensure that that practice does not continue. How we get to that balanced budget is certainly a matter of discussion but I have brought to the attention of this Board because it's my responsibility and obligation to do so that that practice cannot continue. So, I took the toughest approach absolutely...balancing the budget. It's not an easy thing to do but again I think we all agree that we probably cannot continue to allow a deficit spending situation to go on beyond any more reasonable time. There are, I think, many ways we could address it and I think the Parks Department would agree that reviewing at the very least their existing business model for the different enterprises and see what alterations can be made can be very fruitful and it doesn't necessarily mean...and this Board has got to realize and the public that these three people or two people sitting there are not going to be around for long and there will be nobody supervising and making decisions at Parks and Recreation and we'll just have to suffer...whatever the case may be...I go back to Alderman Thibault...we're going backwards so I would hope that the Mayor understands completely the problem we're going to have at Parks and Recreation.

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Alderman Gatsas asked how many season tickets are there for golfers?

Mayor Guinta stated he's waiting for an answer.

Mr. Wojnilowicz replied it's about 600 to 700 this year...I don't have the exact number with me.

Alderman Gatsas asked how many rounds of golf were played last year?

Mr. Wojnilowicz replied the rounds of golf...our membership players were about 36,000 and the rounds of golf by greens fees were about 6,500.

Alderman Gatsas asked how much is it for a greens fee for a non-member?

Mr. Wojnilowicz replied the flat rate I believe is \$36.00 for 18 holes, \$22.00 for nine.

Alderman Gatsas asked can you tell me another public course and a comparison on the number of member rounds versus paid rounds?

Mr. Wojnilowicz replied I'm not prepared to answer that. The closest comparison we have is Beaver Meadow in Concord and I know they're running similar...I believe that they have less membership rounds than us.

Alderman Gatsas stated so what you're telling me is on an average every member's playing about 51 rounds.

Mr. Wojnilowicz stated it's well-utilized that I can tell you.

Alderman Gatsas stated at 51 rounds it doesn't seem like even if you had another 10,000 rounds at the paid you don't have room for them.

Mr. Wojnilowicz stated on weekends and certain nice Friday afternoons or Wednesdays that is very accurate.

Alderman Gatsas asked how much could you increase your revenue if you kept the members to a Monday through Friday membership and opened up Saturdays and Sundays to paid members?

Mr. Wojnilowicz replied I do not have the information to substantiate any of those models. I know speaking with the golf pro he could certainly weigh in on this.

Alderman Gatsas stated ballpark.

Mr. Wojnilowicz stated I'm not prepared to answer that.

Alderman Gatsas asked could you double the rounds?

Mr. Wojnilowicz replied it's possible and tournament play is another avenue as well for generating revenue.

Alderman Gatsas stated so obviously if this is an enterprise fund and if you run it as a business then we should be letting you run it as a business.

Mr. Wojnilowicz stated you're accurate. I think the assertion that you make comes with a price and the price is against the mission statement of the golf course originally. It's my understanding that we were created if you will to cater to the citizenry of Manchester and basically the blue collar worker to keep it affordable and available. Those were my marching orders and that's what I more or less run with.

Alderman Gatsas stated right but I guess if you're going to deficit spend as what the Mayor said there's only one reason why you're deficit spending because if I told you tomorrow to go out and increase greens fees...not if I told you but if you ran it and it was your business and you increase greens fees and you limit it to a Monday through Friday and you increased the rates at McIntyre and you increase the rates then you would truly be running it as a business and you probably would be making money.

Mr. Wojnilowicz stated it's an accurate statement but on the converse side of that if it were my private business you're absolutely right I would be managing it as a for profit. I would certainly be looking to keep my customer base in tact or even improving but the other side is my loyalty would be to the bottom line based on a true enterprise approach.

Alderman Gatsas stated some of the numbers that I've looked at the average membership cost is somewhere around \$1,000 on an average if you look at where Portsmouth is, where Concord is...that's roughly where they are...that would give you an additional \$210,000 in revenue. But, I'm sure as soon as somebody said increase the membership by \$300 the same thing that happened I want to say three years ago that 500 of the golfers called the Aldermen and all of a sudden there was no increase.

Mr. DePrima stated that's exactly what would happen.

Alderman Gatsas stated if you took it as an enterprise fund and you look for management outside they certainly wouldn't decide they're going to come in and run it at a loss at \$700 they probably would increase greens fees and they'd be making the money after a lease end.

Mr. DePrima stated or they would run more tournaments, which would displace the golfers.

Alderman O'Neil stated I don't have the numbers in front of me but if I recall for many a year the golf course even operating under the model it does would offset any potential losses at McIntyre or the two arenas. To begin with when the enterprise was first set up the pools were included in it...poor decision, a short time later the Board of Mayor and Aldermen pulled the pools out...they never belonged in there. I think last year and hopefully we brought closure to Gill Stadium being part of the enterprise...Gill Stadium never should have

been part of the enterprise. So that leaves us four venues...am I correct...golf course, the two rinks and McIntyre. McIntyre is completely at the wishes of the weather even regarding them making snow. If it's warm they can't make snow...that's something sitting here we can't control. There were decisions made right or wrong 10, 15 years ago regarding the rinks. The private sector went out and built rinks in I think there's three sheets of ice in Hooksett alone...that greatly hurt our revenues...the two rinks almost used to be a 24 hour operation, 24/7...that's not the case anymore. Those were some business decisions that were made by the department 10 or 15 years ago and I have to believe by the Board of Mayor and Aldermen. So I think they're doing a pretty good job in running the golf course and I do agree with Alderman Gatsas and Mr. DePrima's backup...anytime there's been an attempt to significantly increase the rates our phones won't stop ringing off the hook by taxpayers in the City of Manchester who are members there. I think the department and the commission has done a very good job in managing the rate increases over the years. So I don't understand why after 12 years of being in the enterprise and I've got to be honest if it's in the management letters from the auditor I don't recall that...I do recall the discussion about the aggregation fund and I do understand, your Honor, your point in discussions with the bond rating agencies but why after 12 years is that an issues. We were led to believe that enterprise was going to solve everything with the Parks system and it hasn't so. I do appreciate your comments about maybe this needs to be a long-term approach. Thank you, your Honor.

Mayor Guinta stated I can't necessarily address the issue 12 years ago. What I can reiterate is there are 115,000 that live in this City. Our job is to do the very best we can to make decisions on behalf of those 115,000. I know from time-to-time we get calls from people who are disappointed or frustrated with some of the decisions that we were making but I think everybody would at the very least see that we're trying to do the very best we can on behalf of this City. I can't speak to the aggregation issue is in the management letters. I don't know how explicit the management letters have been regarding the enterprise but I can tell you how explicit the ratings agencies were when I met with them and they are essentially treating this as a regular debt in the general fund because the general fund is funding the deficit. You made a comment that we were all told the Derryfield subsidizes the other enterprises...I think to a certain extent but not 100% because we have anywhere from a \$5 and \$6 million deficit that's being projected for FY08. So, the responsible...let's assume the discussion happens and at the end of the day everyone in this room says take it out of the enterprise. You still are left with that deficit that has to be paid back. So, no matter whether it's enterprise versus general fund that deficit will continue to exist. I think we ought to commit ourselves during this year before we go into a biennial budget year because this likely could take 2 to 3 to 4 years to fix completely...it's not going to happen overnight. We ought to make a decision as a policy to look at alternative ways to manage these enterprises...enterprises that in the private section are managed and in many cases rates are kept very low...not as low as you see right now and I'm not saying that that's the only solution. There are many other solutions. It's not just raise rates or keep rates low. There's

many other facets of how to run a business and as the State of New Hampshire is dealing with that with the ski mountain. It's an issue that's on our balance sheet that we have to address. So I'm not suggesting we make the decision in one meeting but I do think that we at least commit ourselves to acknowledging that deficit exists and acknowledging that as a matter of policy we have a time certain by the time we eliminate it then we can figure out how as a Board how we will do that and that will absolutely as alderman Lopez and I had met with Parks on Thursday and Friday agree it's going to be, it's not going to occur in just one calendar year. It's going to take more time than one calendar year.

Alderman O'Neil asked can I follow up, your Honor?

Mayor Guinta stated follow-up.

Alderman O'Neil stated I can't talk about recent years but there was many a year where with some good weather regarding McIntyre with there was either natural snow or manmade snow before these other ice rinks were built in other communities...the golf course was able to offset the majority of any deficits if they had any. I was always led to believe before the other rinks were built the ice rinks generally paid for themselves but I'm talking when they were 24/7...good weather, the ability to make snow...McIntyre would pay for itself so the only odd balls that were in there were the pools and Gill...we've taken care of those. So I think they've done a very, very good job regarding the golf course in managing an affordable golf course for the citizens primarily the citizens of Manchester and I agree with that that has been the mission there for many, many a year...an affordable golf course...not to compete with the higher end golf courses in the State...that was never the mission of Derryfield.

Mayor Guinta stated I will say Alderman that the pools as you know have been out for a while...Gill was taken out last year and the deficit projected for FY08 our incoming year is still \$1.2 million. So there's still a lot of work that has to be done to resolve this issue. I know Alderman Thibault had his hand up and then I'll come back to Alderman Gatsas.

Alderman Thibault stated your Honor I appreciate what you're trying to say and what you're doing and I think you're right to some extent but I believe that we do have a Parks and Recreation Commission...why couldn't this Board here go on record in instructing the Parks and Recreation Commission to come up with some innovative ways of raising money to pay for this enterprise that we have that's been there for years and like Alderman O'Neil was just saying is now starting to deteriorate. There's got to be a way and I agree with you there's got to be a way...it's how it's approached but I believe that the Parks and Recreation Commission would be the avenue that that should be put onto. They should come up with the ways that they feel that we could bring back the revenues to where they should be in order to be able to take care of itself.

Mayor Guinta stated I don't disagree that Parks and Recreation Commission can play a role in what we do here but at the end of the day I think we as a Board have to make a policy decision but we have to acknowledge that again people just talk about raising revenue by raising fees. It's more than just raising fees. We have to look at the management overall, we do have to look at the fee structure but we have to look at the marketing, we've got to look at alternative revenue sources that are not being maximized like you see at the baseball park or at the Verizon.

Alderman Thibault asked can we instruct the Parks and Recreation Commission to look into every avenue that could increase revenues?

Mayor Guinta replied yes we could.

Alderman Thibault stated rather than us micromanaging what's happening over there this is their responsibility and we should give it to them.

Mayor Guinta stated we could do that.

Alderman Smith stated in reply to Alderman Gatsas they did raise greens fees, they did raise the cart fees and I just want to make note of this. We sold the garage...guess what happened to the garage as soon as we sold it...the rates went up...this would be the same thing. If we sold the golf course low and behold the rates would be \$1,000 and we're in competition...you've got Londonderry, Candia Woods, Intervale and so forth...you've got to have an affordable price and I think they are doing an excellent job and one thing that's hurt membership whether anybody realizes or not is the drainage system at the Derryfield Country Club and they're asking for bonding to do the drainage at Derryfield. You couldn't play a golf game up there in 10 days I don't think right now with the water up there. But to tell me that you're going to go out and market it when you just decreased \$20,000 in the marketing that was allocated by the agent last year it's not in there...it's not funded.

Mayor Guinta stated if the revenue comes in then you can turn that back over to the marketing agency and they have in the first year...by the way the Parks Department didn't want to bring in a marketer. We had to force that issue and so far it's worked in one year. We can bring the marketer back, make it on revenue based and continue that practice.

Alderman Smith asked why did you cut it out?

Mayor Guinta replied it doesn't have to be in there for them to do that, they can still do that, we can have a direct contract.

Alderman Smith stated you need money to market and you've got to pay the people to do the marketing, thank you.

Alderman Gatsas stated I keep hearing about a \$1.2 million deficit. Can you take the four enterprises that we were just talking about...the two ice rinks...run me a P & L on the two ice rinks, run me a P & L on the golf...

Mayor Guinta interjected I have that, Alderman, and I thought I gave that to the Board in my budget address.

Alderman Gatsas asked may I see it please. Now if I just do some quick numbers...there's \$700 which is about a \$498,000 revenue generates with 36,000 rounds of golf...it's about \$13.61 per round of golf and I will defer to somebody else so I can just look at this for a second.

Alderman Shea stated I was going into the causes of the deficit...is the Parks and Recreation Department funded on the back of the enterprise system...the way you're explaining it because...again I'm not saying you have been over funded over the course of years but to accumulate the debt that has been accumulated is it strictly because of the operational types of programs that you have had or is it because of the fact that there has been the necessity to pay people who work within the Recreation Department resources that have been developed or charged to the enterprise system. In other words when you study the debt how has the debt accumulated to such a point that it is at the stage it's in?

Mr. DePrima replied I think another thing that needs to be considered in this is the timing of all of this. A lot of our facilities are aging and all at the same time. Again, as I remember Ron sitting up here before the Board I believe back in January or possibly earlier...the JFK ice arena has been on life support for 15 years. It just so happens that most of these facilities as old as they are now all at once just by coincidence needing to be upgraded.

Alderman Shea stated what I'm saying is could you somehow list the causes. In other words what are the causes that have incurred debt, but what are some of the other causes...some of the other reasons why the debt has accumulated over the last 10 or 12 years to the point that it's accumulated...that's one of the causes, what are some of the others Rick?

Mr. Riddle stated can I give you one example, Alderman. For example, we just sold large bonds to finance the Derryfield Country Club expansion, the new building and drainage improvements and such. Those bonds cost us about \$360,000 a year worth of debt. The rent that we get from the restaurant only pays about one-third of that so about \$240,000 becomes additional deficit that we have to borrow from the general fund to pay that off.

Alderman Shea stated so that's another reason why.

Mr. Riddle stated right plus we're doing something similar with the JFK...\$1.775 million worth of bonds...a large amount of money we have to pay back.

Alderman Shea stated so much of that is attributable to bonding that you have had to have.

Mr. Riddle stated at least half of it and then things like...for example, at McIntyre the big thing that we were hit with was Yarger Decker. We used to pay our part-timers approximately \$7.00/hour at McIntyre now when Yarger Decker came in we started to pay them \$9-\$10/hour...pretty much all part-timers there that made a huge increase right there. The liability insurance at McIntyre when I started at the Parks Department we spent \$10,000/year. Now when we go out to bid for that we spend about \$30,000 to \$50,000 because generally there's only two insurance companies that are even interested in insuring a ski area.

Alderman Lopez stated I just want to make one last comment...I know the hour's getting close for the public hearing. But everything that was said by Rick is absolutely true. I think I was there in the beginning when the enterprise system started and major items such as Derryfield, especially the JFK...just like we did Gill Stadium when it was in the enterprise we put over \$4 million into Gill Stadium and it was on the City side. Financially in the last 12 years...I'll say this again...the Finance people have never said a word in reference to this. This is the first year that something comes along and it's \$5 million. I understand the debt service, I understand that we have to come up with a plan and I understand what Alderman Thibault said about the Commission...this Board does have the authority to ask the Commission to look into this and do things but I also think that as we move forward in this process in this particular year our decision as I said when I started out is either the Mayor is going to have to make the decision to continue with the enterprise fund or Parks will eventually be destroyed...you mention the name Ron Johnson...Ron Johnson...everybody on this Board knew...outstanding professional and we paid \$90,000 for a staff study...did you bring your book...would you hold it up...a \$90,000 study on recreational parks, passive and everything in this City as to what needs to be done and I can tell you that in that book because it was in 1992 is recreation for the citizens of Manchester is totally important in this City. If we destroy it and I understand the business aspect...the business aspect is not always true in the City. If that was the case there's no company that has a police force like we do, a Fire Department like we do and a Highway Department like we do and that's the same thing with recreation. So the policy of this Board as we move forward in my viewpoint is the direction we want these gentlemen who are on the hot seat...the direction we want them to go because we've put them in this predicament and our predecessors did the same thing. If we want to cost out and charge \$1,000 or more for somebody to play at Derryfield...if that is what our policy is then let's so be it but as it was said many a times and over the years...18 years on the Commission believe me have fun at it because it's not going to work but I agree with the Mayor that the debt service we can solve it but we can't solve it just in the first year that somebody comes along and say you're \$5 million in debt...that \$5

million didn't get there...it got there over a 12-year period and we can solve the problem if we work together on this but not throw these people out in the cold and destroy our system. Thank you.

Mayor Guinta stated Alderman first of all nobody is looking to destroy a system that we have spent so many dollars investing in...that I would respectfully disagree with you on...that characterization. We have an obligation by law to address a deficit that for whatever reason as a matter of policy has been allowed to continue for years and what I'm saying is that it is our responsibility and legal obligation to address it. We are for the first time starting to address it. I have personally and publicly conveyed my willingness to work with this department to make it happen and I think that they feel that. So let's not let people think that we're going to destroy our parks system. I myself use the park system almost every weekend with my family at Livingston and Derryfield. No ones looking to destroy it but what I cannot allow in good conscience is a deficit, a projected deficit of \$1.2 million. It's not good business policy, it's not good municipal government policy, it's not good government period and bond-rating agencies are telling us that we have to eliminate it, we don't have a choice. So these are tough decisions but that's why we're here, that's why we're elected and we have to honor that obligation.

Alderman Gatsas asked is there any way that we are going to get some updated ones because this I 2005-2006, can we get 2007-2008?

Mayor Guinta replied I can get you every year.

Alderman Gatsas asked is the department doing these or who's putting these together?

Mayor Guinta asked Rick did you put this together?

Mr. Riddle replied yes I did.

Mayor Guinta asked can we provide to the Board every year of existence?

Alderman Gatsas stated I only need 2007 and 2008, your Honor.

Mayor Guinta stated okay...we have 2007 and 2008...we can get that.

Mr. Riddle stated we can give you 2007 through the end of March, for example.

Alderman Gatsas stated that's fine. The next question...the salaries...the salaries that you have here what's the total salary of the entire park system...general fund and enterprise...both together?

Mr. Riddle asked are you talking for next year, Alderman?

Alderman Gatsas replied yes.

Mr. Riddle stated approximately \$3.2 million.

Alderman Gatsas stated so roughly two-thirds of your wages are in general funds.

Mr. Riddle stated right.

Alderman Gatsas stated so you will get those to us...2007-2008. Thank you.

Mr. Riddle stated 2007.

Alderman Gatsas stated 2007 and obviously you've got a projected 2008. If you're an enterprise fund you should be doing it in 2008.

Mr. Riddle stated we don't really have a budget right now for 2008.

Alderman Gatsas stated do a projected...what you think your projections are going to be. You can do one that's got what the Mayor's number is and put one in and what you think if you had the ability to change things around what you would do.

Mayor Guinta asked did anyone else have their hand up over here. We've got about 15 minutes before the public hearing starts...Brandy (Stanley) did want to come and give us some clarifying statements from last week...I think that's going to be fairly quick. Okay let's try to get that in and give us a few minutes before the public hearing. Thank you, gentlemen, I appreciate it.

Parking (2nd discussion)

Ms. Brandy Stanley, Parking Manager, stated when last we met I didn't have some information and since we met last I have figured out that the night manager and the customer service rep III were not funded in the 2008 budget. Both of these positions have been approved in principle by the entire Board as a part of the takeover of the Victory Garage management and I obviously would like to have them put back in.

Alderman O'Neil asked Brandy can you just put together what the salary and benefits would be for those positions and provide those to the Board?

Ms. Stanley replied \$66,000 for the salary and the benefits it's about another \$50,000.

Alderman O'Neil stated it would be good if we could have it in writing.

Ms. Stanley stated okay.

This being a special meeting of the Board, no further business was presented and on motion of Alderman Lopez, duly seconded by Alderman Shea, it was voted to adjourn

A True Record. Attest.

City Clerk